

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 550

October 27, 1995, 8:27 p.m.  
Page S-16033 Temp. Record

## BALANCED BUDGET RECONCILIATION/Business Use of Homes

**SUBJECT:** Balanced Budget Reconciliation Act of 1995 . . . S. 1357. Exon motion to waive the Budget Act for the consideration of the Lautenberg motion to commit the bill to the Committee on Finance with instructions.

### ACTION: MOTION REJECTED, 39-60

**SYNOPSIS:** As reported, S. 1357, the Balanced Budget Reconciliation Act of 1995, will result in a balanced budget in seven years, as scored by the Congressional Budget Office (CBO). The bill will also provide a \$245 billion middle-class tax cut, \$141.4 billion of which will be to provide a \$500 per child tax credit.

**The Lautenberg motion to commit** the bill to the Committee on Finance would instruct the Committee to report the bill back within 3 session days with provisions that would expand the deductibility of expenses incurred in connection with the business use of one's home. (The intention of the motion was to overturn a 1993 Supreme Court ruling that narrowed the definition of expenses that could be deducted). The cost of the amendment would be offset by adjusting the corporate tax rate (the tax rate would have to be increased from 28 percent to 32 percent in order to offset the cost of overturning this Supreme Court ruling).

The amendment was offered after all debate time had expired. However, by unanimous consent, 1 minute of debate was permitted on the amendment, and some statements were inserted into the record. Following debate, Senator Domenici raised the point of order that the Lautenberg amendment was not germane and thus violated the Budget Act. Senator Exon then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

**NOTE:** A three-fifths majority (60) vote of the Senate is required to waive the Budget Act. Following the failure of the motion to waive, the point of order was upheld and the amendment thus fell.

**Those favoring** the motion to waive contended:

For a relatively minor cost, the Lautenberg amendment would greatly help small businesses across America by overturning an

(See other side)

YEAS (39)		NAYS (60)			NOT VOTING (0)	
Republicans (0 or 0%)	Democrats (39 or 85%)	Republicans (53 or 100%)	Democrats (7 or 15%)		Republicans (0)	Democrats (0)
Akaka	Inouye	Abraham	Helms	Biden		
Baucus	Kennedy	Ashcroft	Hutchison	Bingaman		
Boxer	Kerrey	Bennett	Inhofe	Bradley		
Breaux	Kerry	Bond	Jeffords	Bryan		
Bumpers	Kohl	Brown	Kassebaum	Johnston		
Byrd	Lautenberg	Burns	Kempthorne	Moseley-Braun		
Conrad	Leahy	Campbell	Kyl	Moynihan		
Daschle	Levin	Chafee	Lott			
Dodd	Lieberman	Coats	Lugar			
Dorgan	Mikulski	Cochran	Mack			
Exon	Murray	Cohen	McCain			
Feingold	Nunn	Coverdell	McConnell			
Feinstein	Pell	Craig	Murkowski			
Ford	Pryor	D'Amato	Nickles			
Glenn	Reid	DeWine	Pressler			
Graham	Robb	Dole	Roth			
Harkin	Rockefeller	Domenici	Santorum			
Heflin	Sarbanes	Faircloth	Shelby			
Hollings	Simon	Frist	Simpson			
	Wellstone	Gorton	Smith			
		Gramm	Snowe			
		Grams	Specter			
		Grassley	Stevens			
		Gregg	Thomas			
		Hatch	Thompson			
		Hatfield	Thurmond			
			Warner			
					<b>EXPLANATION OF ABSENCE:</b>	
					1—Official Business	
					2—Necessarily Absent	
					3—Illness	
					4—Other	
					<b>SYMBOLS:</b>	
					AY—Announced Yea	
					AN—Announced Nay	
					PY—Paired Yea	
					PN—Paired Nay	

Compiled and written by the staff of the Republican Policy Committee—Don Nickles, Chairman

ill-considered Supreme Court ruling in 1993. That ruling narrowed the allowable tax deduction for the business use of one's home. Currently, that deduction may be taken under 3 circumstances--if the home office is physically separate from the rest of the home; if the office is the normal place of business for meeting with patients, clients, or customers; or if the office is the principal place of business. In 1993, the Supreme Court ruled that this 3rd definition meant that most business had to be conducted in the home before home business expenses could be deducted. Thus, for example, a plumber who had his office in his home could no longer claim a business use of his home. This ruling has hurt small businessmen and women across the country (since women are more apt to work out of their homes, this ruling especially has hurt them). We oppose this ruling, and thus favor this amendment.

**Those opposing** the motion to waive contended:

Our colleagues have failed to mention that their amendment would increase the corporate tax rate by 4 percent. This huge tax increase is unacceptable so we urge the rejection of the motion to waive.